

South Carolina Department of Health and Human Services

ATTN: Parent Considering Applying for TEFRA

This letter is to provide you with information about the TEFRA (Katie Beckett) program in Medicaid. We hope the following information will do three things:

1. Help you determine whether you should apply for TEFRA coverage for your child.
2. Help you understand the lengthy process that is involved in determining whether a child is eligible for TEFRA coverage.
3. Provide you with information about things you can do so that the application process can be completed in less time.

South Carolina is fortunate to have an organization called Family Connection of South Carolina, Inc., that is devoted to helping parents with children with chronic illnesses, disabilities and developmental delays. This organization provides a support network for families like yours. You may contact Family Connection at 1-800-578-8750. They may also be able to help you with this application process. Most TEFRA applications take up to 90 days to process; however, many take longer. Please submit all required information with your application so that we can begin to process your application immediately.

We would like to provide you with some information about the TEFRA program so that you will know what is done when we process your application. TEFRA (Katie Beckett) is a special coverage group for children who need institutional care, but whose families can, and want to, provide care in their homes. It is an option that states may choose to provide coverage, not a federal requirement. However, if states decide to provide this coverage, states must follow federal rules for the program.

Federal rules require that a child meet several criteria in order to qualify. A child may have a number of medical problems and still not qualify for TEFRA. If any of these rules are not met, the child cannot qualify. Some of the rules that are not usually a problem or that can quickly be determined include age (a child must be 18 years old or younger), income and resources (the child's income must be below \$2,022 per month and his resources must be at or below \$2,000), the child must be living at home, it must be possible for the child to receive adequate care in the home setting, and the cost of the child's care to the Medicaid program cannot exceed the cost that Medicaid would incur if the child were institutionalized. Two of the criteria are more difficult to determine and can involve some time to complete. These are the disability determination and the Level of Care determination.

1. The child must be disabled. (This means the child must meet federal criteria for being considered disabled.)
2. The child must need ongoing institutional care. This is called the Level of Care determination. This generally means nursing home care or intermediate care for the mentally retarded. It can also mean long-term care in a hospital. This criterion is NOT met because a child may need to be admitted to a hospital many times a year to address health crises or corrective procedures.

Most states call their program Katie Beckett, rather than TEFRA. Congress enacted this coverage option after media attention about a child named Katie Beckett. Children who were institutionalized could receive Medicaid coverage after they had lived in an institution for more than 30 consecutive days. After this 30-day period and for as long as the child continued to live in an institution, the parents' income was not counted. Katie Beckett's parents didn't want their child to live in an institution and wanted to care for their severely disabled child at home. While Medicaid would cover Katie as long as she stayed in the institution, Medicaid would provide no assistance to her if she were to move back home. President Reagan read about this and had legislation introduced to change this. This legislation gave states the option to provide coverage for children like Katie Beckett.

For a disability determination, DHHS sends the application to the SC Vocational Rehabilitation Department. This is done after medical records are requested and received from the physicians and healthcare providers that you have identified on your application. Please encourage your healthcare providers to provide the requested information quickly. Physicians and other healthcare providers frequently respond more quickly to you, the parent, than to a government agency like DHHS. **Anything you can do to get the medical records more quickly will help us process the application more quickly. If you do obtain medical records, send them along with your application. If you receive medical records after you send in your application, you can mail or FAX them to us.** Please FAX these records to 803-255-8223 or mail them to:

South Carolina Department of Health and Human Services
Division of Central Eligibility Processing – Attn: TEFRA
Post Office Box 100101
Columbia, SC 29202-3101

If the medical records do not clearly indicate disability, a specialist may be requested to review your child's condition to determine if there is more information that might lead to a positive determination of disability. This step lengthens the process of determination, but is done to give your child every chance of meeting disability criteria.

At the same time the disability determination is being done, we review your child's condition to determine whether he or she needs institutional care. This is called Level of Care. To meet the medical necessity criteria for institutional care, a person has to have functional deficits. For an adult, this means that he or she cannot bathe, dress, eat or transfer (move) without ongoing assistance. These are called deficits in daily living skills.

A child must have deficits in this area that are not simply the age appropriate dependences of a child. The determination for a child is difficult. All children are dependent at birth for assistance in these areas. Therefore, the normal dependency of an infant is age appropriate. It does not mean that they need institutional care. We first look at your child's functional level compared to the functional level that would be expected for a child of your child's age. The first review is to see whether your child's functional level is so different from the expected level that he or she would require ongoing care in a nursing home or hospital. If your child does not need to live in a hospital or nursing home, we then send the application to the SC Department of Disabilities and Special Needs (DDSN). DDSN reviews your child's condition to determine if your child has Mental Retardation or a Related Condition and whether your child needs ongoing care in an Intermediate Care Facility for the Mentally Retarded (ICF-MR).

As you can see, this is a lengthy process. It is lengthy because we make every effort to find your child eligible. These efforts may include finding additional specialists to review your child's condition if medical records do not support a disability determination and home visits related to Level of Care determinations.

This letter may provide you with a better understanding of TEFRA and what it means to qualify. **If you would like to provide us with any additional information that could be helpful, or you would like to send us a written statement about your child's condition, please do so with your application.** We will include your statement and/or the additional information in the material used both in the disability determination and the Level of Care determination. Also, please encourage your child's physicians and healthcare providers to respond quickly to requests from us for medical records.

Please understand that your child may have severe medical problems and still not meet TEFRA requirements. It is frequently the lack of need for continuous institutional care that disqualifies a child. If your child is denied, it in no way means that we do not think your child has serious medical problems or is seriously ill.